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Department of

Veterans Affairs

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Information Bulletin

Loan Guaranty Letter 00-03 264-1

SUBJ: Reinstatement Of Loan Guaranty Benefits For Remarried Surviving Spouses Of Veterans Upon Termination Of Their Remarriage

- 1. <u>PURPOSE</u>: This is to notify all VA Loan Guaranty program participants and Loan Guaranty field personnel that Public Law 106-117, the Veterans' Millennium Health Care and Benefits Act, included a provision that reinstates home loan eligibility for eligible surviving spouses whose remarriages have been terminated.
- 2. **BACKGROUND**: Surviving spouses of veterans who died in service or from service-connected causes lose their home loan eligibility if they remarry. This had been the case even if the remarriage was terminated. In June 1998, legislation was enacted (Public Law 105-178) that restored certain benefits to surviving spouses whose remarriages were terminated. However, eligibility for the home loan benefit was not restored at that time. Public Law 106-117 restores the home loan benefits, as well as other ancillary benefits relating to education and health issues.
- 3. <u>LENDER RESPONSIBILITY</u>: Lenders receiving inquiries from persons who fall into this category should refer them to one of the two Eligibility Centers for information and assistance. The toll free numbers for the Centers are: (888) 487-1970 for Los Angeles and (888) 244-6711 for Winston-Salem. For more information on eligibility, visit www.vba.va.gov/bln/loan/elig.htm.

VLINDA A. CHILDS Loan Guaranty Officer

Distribution: Program Participants